

# **Sri Lankan Management Undergraduates' Employability Capital towards Work Readiness: Undergraduates' Perspective**

\*Buddhini Amarathunga<sup>1</sup>, Sadun Wijethunga<sup>2</sup>

<sup>1</sup> *Department of Business Management, Wayamba University of Sri Lanka*

*buddhini@wyb.ac.lk*

<sup>2</sup> *Faculty of Graduate Studies, University of Sri Jayewardenepura*

*info.sadun@ymail.com*

## **INTRODUCTION**

Education is essential for boosting the wealth and quality of human life, while education is also considered as a benchmark of the development of a country (Park, 2020). Universities are expected to generate graduates with the required employability skills and knowledge to create a significant impact on the socio-economic development of a country (Monteio & Almeida, 2020). In this regard, many criticisms have been levelled at the university system in Sri Lanka

due to its failure to fulfil industrial expectations (Rameez, 2019). Thus, around 46% of graduates who pass out from state universities in Sri Lanka are unemployed or underemployed (Jayamanne & Ramanayake, 2017). It is obvious, then, that the Sri Lankan education system is not producing appropriately employable graduates, especially in the disciplines of the social sciences and management (Sampath & Chathurani, 2017).

Graduates are the long-awaited and final output of a university. If graduates are not equipped with skills and capabilities demanded by employers/industry, there will arise a mismatch between the skills expected by industries from graduates and the skills that graduates possess (Park, 2020). Since Sri Lanka is a country with a free education system, un-employability

negatively influences not only graduates but also numerous stakeholders like universities, families, the community, the government, the wider society, and also the economy of the country (Nawarathna, 2012). Additionally, graduate un-employability causes directly or indirectly the personal frustration of graduates, lower-ranking of universities, family, social, and community problems, lower levels of living standards, loss of valuable productive resources to the economy, an increase in the poverty level, and a decrease in Gross Domestic Production (GDP), per-capita income, national savings, and national investments of the entire economy (Abbas & Sagsan, 2019).

The term “Employability” is defined as the capability of getting, keeping, and fulfilling work (Hillage & Pollard, 2013) and it has a critical role in informing the labour market policy of any country (McQuaid & Lindsay, 2005). As mentioned by Pieters, al., (2019), employability refers to obtaining and retaining employment. Employability is the ability to be employed, including gaining initial employment, maintaining employment, and obtaining new employment (Hillage & Pollard, 2013). Fugate, Kinicki, and Ashforth (2004) define employability as a supportive factor for employee movement within jobs and between organizations. Even though artificial intelligence is now used in work environments and competition is increasing day by day among the global workforce, academic programs create a brave new place for graduates to work in (Kapareliotis, Voutsina, & Patsiotis, 2019). Graduate employability in Sri Lanka is a highly sensitive matter and is influenced by political, social, and economic factors (Singam, 2017). Hence, it is a paramount requirement to uplift the work readiness of the undergraduates towards increasing employability.

Employers relate the work readiness concept to employability, and knowledge, attitude, skills, and commercial understanding are important to enhance the employability of graduates (Mason, Williams, & Cranmer, 2009). Work readiness is an important goal of higher education and an important factor in functioning well at work (Borg & Scott-Young, 2020). Soft skills are important factors influencing work readiness, and these are sadly lacking in many entry-

level employees (ACT, 2013). Volatile work environments require a variety of skills from undergraduate programs to enhance the suitability of graduates for business purposes (Kapareliotis, Voutsina, & Patsiotis, 2019) Thus, the higher education institutions play a vital role in enhancing graduates' employability as well as upcoming labour market projections (Tomlinson, 2017).

According to an International Labour Office (2015) report, the low level of graduates' work readiness causes youth underemployment and unemployment, and this is a matter of serious concern in both developed and emerging countries. Ariyawansa (2008) explains that most Sri Lankan parents consider university education to be a safe path for their children's future employment. They consider graduation to be the major qualification for employability capital. In practice, however, this is not the case, and the un-employability of state university graduates is considered to be a national issue in Sri Lanka due to the massive investment in free university education (Kumara, Liyanage, & Wedage, 2017). In the Sri Lankan context, the

unemployment rate is recorded as 4.2 % for 2017, 4.4% for 2018, and 4.8% for 2019 (Department of Census and Statistics, 2017, 2018, 2019). The Department of Census and Statistics (2019) confirms an upward trend in total un-employability and graduate un-employability in Sri Lanka. The number of graduates passing out from state universities per year and cumulative graduate unemployment for the respective years in Sri Lanka is depicted in Table 1

*Table 1. Graduates' Details in Sri Lanka*

Year	Total Graduate (Bachelor Degree)	Total no. of unemployed graduates (Cumulative)	
		Art Degrees	Other Degrees
2017	26,015	18,626	15,690
2018	26,024	25,589	17,732
2019	24,890	23,040	18,984

*(Source:-Department of Census and Statistics, 2017, 2018, 2019)*

The cumulative unemployment figure recorded in Table 1 is high when compared with the graduate output per year. In particular, a high unemployment level is seen amongst arts graduates. The major proportion of other degrees is represented by management graduates in the above figures.

However, at the beginning of December 2019, the entire globe changed dramatically as a result of the global spread of the new coronavirus. The coronavirus illness, also known as Covid-19, is one of the

most serious long-term issues confronting the modern world (Agba, Ocheni, & Agba, 2020). Sri Lanka has also been affected by the novel Covid- 19 since 27<sup>th</sup> January 2020 due to the detection of a Chinese tourist (Erandi, Mahasinghe, Perera, & Jayasinghe, 2020). On 12<sup>th</sup> March 2020, the Sri Lankan government closed all of the country's universities and ceased all face-to-face academic activities (Adaderana, 2020). Sri Lanka's higher education sector experienced numerous obstacles throughout this time. Students' teaching and learning activities were impacted by the closure of fifteen national universities and other higher education institutions (Rameez, Fawsar & Noohu, 2020). Accordingly, universities are enforced to continue all academic activities via online platforms. As a result, improving graduates' employability capital as well as work readiness through online methods becomes challenging due to restrictions on group work, practical sessions, and collaborative activities with industries in crises. Therefore, this study will address the methods applicable to the present crisis for enhancing the work readiness of undergraduates by determining the association of work readiness with each type of graduate employability capital.

As per empirical evidence, there are only a few studies that focus on graduates' work readiness from the graduate's perspective. Even though employability is a well-documented area from the perspective of employers, employability is under-researched from the perspective of graduates, academics, students, and their family members (Jackson, 2013). Thus, the findings of the present study pave the way for Sri Lankan universities to re-structuring the degree programs focusing on the enhancement of graduate employability capital. As explained by Tomlinson (2017), career educators have a potentially important role to play in promoting the ability of graduates. Even though university graduates are generally well-versed in technical discipline-related knowledge, industry leaders have become increasingly vociferous in their calls for universities to focus more on building their students' work-related abilities (Cavanagh et al., 2015). Accordingly, the current study may provide significant insight for career educators in Sri Lankan higher education sector. Due to a limited number of studies conducted on graduate employability capital and work readiness in the Sri Lankan context, a contextual research gap can be found. Thus, the present study will bridge this contextual research gap, and analyse the association of graduate employability capital with work readiness. The findings of the present study can be used to change the existing higher education policies and curriculums of both state and private universities, other higher educational institutes, and vocational training institutes to create skilful graduate output. Moreover, the results will help to create socio- economic changes, uplift the living condition of the community, and ultimately, to boost the economy of the country. Thus, the primary objective of the current study is to identify the association between graduate employability capital (human capital, identity capital, cultural capital, social capital, and psychological capital) and the work readiness of management graduates in Sri Lanka from the graduates' perspective.

## **LITERATURE REVIEW**

### **Graduate Employability Capital**

Employability is related to the ability that helps an individual to achieve his or her goals and the ability to acquire and retain work (Peeters, et al., 2019). According to Rothwell and Arnold (2005), employability concerns the extent to which people possess the skills and other attributes that help them find and stay in work of the kind they want. From the employers' perspective, they tend to view employability as an individual feature (McQuaid & Lindsay, 2005). McQuaid and Lindsay (2005) categorize the concept of employability as dichotomy employability, socio-medical employability, manpower policy employability, flow employability, labour market performance employability, initiative employability, and interactive employability. Therefore, the term employability capital is more accurate in capturing the combination of job acquisition and retention (Peeters, et al., 2019). In addition, Kulbo, Wen, and Addo (2020) identify human capital, organizational capital, and personal social capital as the resource capital related to the employability capital of a graduate.

Fugate, Kinicki, and Ashforth (2004) list some components of employability as personal adaptability, career identity, social capital, and human capital. As accepted in many circles, higher education should focus on improving graduates' employability skills (Tomlinson, 2017). According to Wickramasinghe & Perera (2010), the gender of the Sri Lankan graduate is also a major determinant of his/her employability skills.

Smith (2010) explains two categories of capital, namely, human capital and social capital, which are tied to persons. Human capital finds its source in individuals, but social capital comes from relationships with others (Peeters, et al., 2017). Due to the growing demand for skilled workers in the job market, graduates need to acquire the capabilities to bring various skills to the market and their academic portfolio. (Kamaruddin, Ahmad, Husain, & Hamid, 2020). As Jackson (2013) explains, skill development is a factor that provides a significant contribution to graduates' employability, and it stands out in a model that attempts to decipher and portray the exact meaning of graduates' employability. Further, Jackson (2013) identifies a few types of skills that influence employability, such as effectiveness in communication, ability to work well with peers and supervisors, critical thinking ability, analytical skills, problem-solving skills and innovativeness, self-management, accountability, and professionalism.

### **Types of Graduate Employability Capital**

According to the graduate capital model introduced by Tomlinson (2017), five categories of graduate employability capital have been defined, namely: human capital, cultural capital, identity capital, social capital, and psychological capital.

## **Human Capital**

Knowledge, skill, and future performances are identified as major factors relevant to human capital which is considered as the foundation of labour market outcomes (Tomlinson, 2017). Employees' ability to realize job market opportunities is heavily influenced by their human capital (Fugate, Kinicki, & Ashforth, 2004). Higher education and training contribute towards strengthening human capital and human capital empowers individuals in the labour market (Tomlinson, 2017). Mayo (2000) describes the key determinants of human capital as judicial wisdom, team abilities, individual abilities and experience, leadership, and motivation. Baron (2011) explains human capital utilizing a combination of the skills, knowledge, and experience of an individual, together with his/her readiness to share these things for the success of the organization. Further, Barney (1991) argues that skills cannot be copied or imitated and that such skills provide a competitive advantage for a company. Therefore, human capital is a vital determinant of the productivity of the human resource in an organization.

Lepak & Snell (1999) argue that the value of human capital depends on the ability to support core capabilities and competitive advantages. Further, Baron (2011) argues that human capital adds value to the business if that business makes profits from its production or service delivery. However, Tomlinson (2017) explains that higher education and training contribute to strengthening human capital and that human capital empowers individuals in the labour market. Further, Baron (2011) discusses the increase of organizational values through human capital. Thus, as mentioned by Kalfa & Taksa (2013), higher education has an important role to play in developing human capital.

## **Social Capital**

Social capital is defined as the goodwill that is unique to social networks (Fugate, Kinicki, & Ashforth, 2004) and it has been said to help in mobilizing existing human capital and bringing

(Tomlinson, 2017). Further, Fugate, Kinicki, and Ashforth, (2004) identify the importance of social capital, emphasizing the unique relationship between the organization and time.

Ngoma and Ntale (2016) discuss the growing attention to social capital theory as it is important to develop networks, trust, and norms in higher education, paving the way to ensure employability. The benefits and impacts of social capital are shown by Fugate, Kinicki, and Ashforth (2004) through personal, job-seeking behaviour. In addition, they explain that informal and formal networks are available to those who often develop social networks. Batistic & Tymon (2017) suggest several ways to develop the behaviour of networking since it is a very important skill for students and universities.

Further, the cultivation of networks and growing knowledge are considered significant features of employability (Garavan, Morley, Gunnigle, & Collins, 2001). Being a member of a group or network and building social relationships in this way is important in the process of developing social capital (Mao & Shen, 2020).

### **Cultural Capital**

Tomlinson (2017) describes the cultural capital associated with the formation of culturally valuable knowledge, temperament, and behaviour tailored to the workplaces in which graduates are enrolled. Further, he emphasizes the need for creative thinking about cultural capital from the perspective of higher educational institutions. Further, Pham, Tomlinson & Thompson (2019) explain that cultural capital refers to culturally valuable information, dispositions, and insights that graduates must demonstrate to attract employers. This capital is depicted as a "personality bundle," complete with accent, body language, and humour. Kalfa & Taksa (2013) consider culture as a device used to educate students about business practices. Also, they argue that cultural capital is directly related to employers' demands for universities to produce employable graduates.

### **Identity Capital**

Identity capital is described as a graduate's level of personal investment in their future profession and employability (Tomlinson, 2017). According to Cote (2005), gaining identity capital explains how an individual is investing in a particular and also involves a sequence of interactions with other parties in a range of circumstances. In the broader career management literature, as well as in that relevant to graduate careers, the potentially substantial significance of identity development, and also further psycho-social elements, has been recognized (Fugate et al., 2004; London, 1993). Identity capital has been demonstrated to have a significant impact on the level of undergraduates' negotiation on employment, mainly through recruitment, for graduate employability research and analysis (Tomlinson, 2017). Another way of describing ability and motivation is the deployment and presentation of one's version of self, which is needed to obtain the job opportunity that a particular person desires and expects (Wallis, 2021). Thus, identity development has become an important research area among career scholars due to the important role it plays in employability (Mao & Shen, 2020).

Tomlinson (2017) highlights the importance of identity capital for graduates' employability since it helps a graduate obtain an employment opportunity. He further explains that graduates can build identity capital to gain benefits from entering the labour market. In addition, Jackson (2016) describes certain pre-professional identities that are important for the early career development of graduates. Identity capital is considered a contextually vital component of the behaviour and set of values

necessary in distinct organizational domains, in Hinchliffe and Jolly's (2011) analysis. The four fundamental parts of graduate identity - values, social engagement, intelligence, and performance - are all presented and justified through discourse and activity, according to Hinchliffe and Jolly (2011).

### **Psychological Capital**

Individuals, in the process of growth and development, exhibit psychological capital, which is a positive mental state. For the first time, Luthans (2005) defined psychological capital as the essential psychological ingredients of individual initiative, manifested as a psychological state adhering to the criterion of positive organizational behaviour, which transcends human capital and social capital. This definition of psychological capital was later refined by Luthans and Avolio (2007), where they defined psychological capital as an individual's favourable state of psychological development. The four types of positive psychological capital, according to Luthans, are self-efficacy, resilience, hope, and optimism. Psychological capital, according to the above study, refers to an individual's positive psychological resources. It is a person's positive psychological power, made up of self-efficacy, resilience, hope, and optimism.

Thus, psychological capital is related to the elements of hope, self-efficacy, optimism, and resilience which recently emerged as the core structure for bringing positive psychology into the workplace (Ngoma & Ntale, 2016). Psychosocial capital is primarily based on psychosocial resources and allows graduates to proactively adjust and react to inevitable workplace challenges (Tomlinson, 2017). In this regard, Tomlinson (2017) identifies self-efficacy and resilience as the most important issues in graduates' psychological capital.

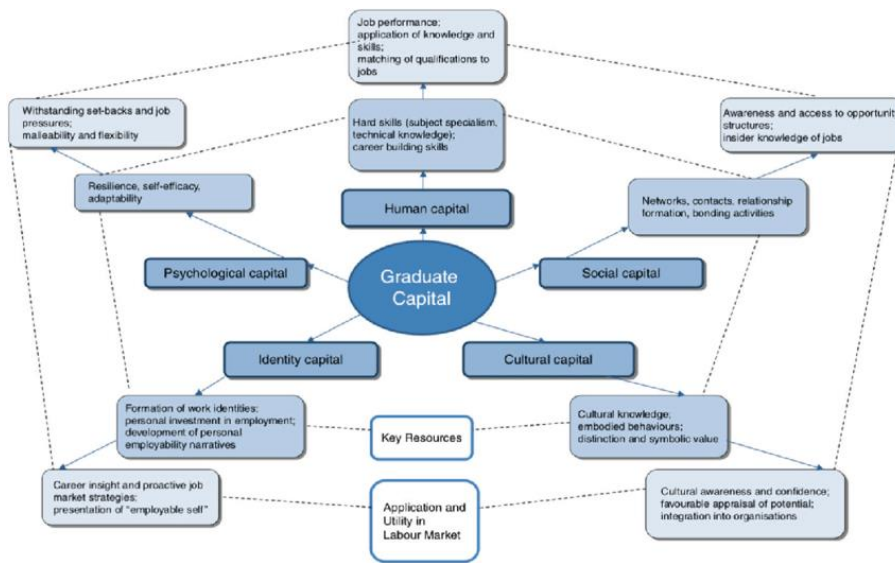
### **Graduate Capital Model**

The article "Forms of Graduate Capital and their Relationship to Graduate Employability" written by Tomlinson (2017) created a new conceptualization for graduate employability, grounded on graduate employability capital. Here, Tomlinson, (2017) defines capital as a

major resource that offers many benefits and advantages to graduates. In this conceptualization, Tomlinson assumes the human, social, identity, cultural and psychological capital as the main forms of capital. In particular, Tomlinson's (2017) article provides a novel vocabulary for interpreting graduate employability and its expansion in higher education and the transition of graduates to the labour market. This approach allows for thinking creatively to resolve the ongoing tension between the relative benefits of different graduates' families and socio-economic backgrounds and higher educational affordances (Tomlinson, 2017).

*Figure 1. Graduate Capital Model (Tomlinson, 2017)*





## Work Readiness

Work readiness is defined in different ways by different scholars, based on their points of view. Some explain that it is related to graduates' ability to reach the ground, while others believe that it develops over time due to practices in the work environment (Borg & Scott-Young, 2020). According to ACT (2013), work readiness can be described as follows: "Specific job skill requirements can be identified through a job analysis or occupational profile that summarizes the competencies, knowledge, skills, abilities, and behaviours directly related to performance on the job". Work-ready individuals have the basic skills necessary to qualify for a particular profession as determined by a job analysis or professional profile (ACT, 2013).

According to the career readiness framework of SRI International (2019), "What should we measure?" and "How should we measure?" are the important questions in the process of measuring work readiness. SRI International (2019) further explains that despite the increasing importance of career preparation in federal law, there is no generally agreed-upon definition of work readiness or a sound method to measure it.

Borg and Scott-Young, (2020) identify the factors hindering graduates' work readiness as the inability to cope with conflicting situations, lack of confidence in seeking help through communication with the organization, and insufficient business writing ability. Moreover, the work of Prikshat, et al., (2019) suggests that it is vital to improving self-management skills, written and verbal communication skills, teamwork skills, intellectual skills, critical thinking, creativity, and innovation skills to make work readiness match with stakeholders' expectations.

## Graduate Employability Capital and Work Readiness

In one research study, students participating in an internship program positively evaluated all aspects of work readiness structure and internships that provide an opportunity to enhance the employability capital of graduates (Kapareliotis, Voutsina, & Patsiotis, 2019). A study carried out by Ariyawansa (2008) concerning the Employability of Graduates of Sri Lankan Universities highlights the mismatch between the degree and the job market requirement. Due to this mismatch, employability capital has decreased among many Sri Lankan graduates. Kulbo, Wen, and Addo (2020) confirm the positive relationship between graduate employability and organizational capital. Ariyawansa (2008) identifies the employability of management graduates as a critical issue, as a large number of students graduate each year in Sri Lanka. Another study carried out by Kumara, Liyanage, and Wedage (2017) points out that the lack of training experience and employment capacity is a major obstacle to improving the employability capital of Sri Lankan managerial graduates.

With the digital disruption brought about by the fourth industrial revolution, the graduate capital acquisition has never been more vital than now (Hardin-Ramanan, Gopee, Rowtho & Charoux, 2020). Graduates are increasingly expected to take control of their career growth in accordance with their capabilities and objectives as traditional professions and upward career movements give way to more fluid careers (Jackson & Tomlinson, 2020).

## **METHODOLOGY**

The current study used an explanatory research design, with the major focus on testing hypotheses established based on empirical research findings. The current study is cross-sectional and quantitative because the data is gathered only once and is measured and analysed quantitatively.

According to Morgan's table (Krejcie & Morgan, 1970), the minimal sample size for this study is 379 final year management undergraduates, based on the population of 4,786 (UGC Statistics, 2019). However, 400 questionnaires were issued to boost the generalizability of the findings and to account for the faulty and incomplete questionnaires returned by certain respondents. The stratified sampling method was applied to select the sample as the population of the current study is heterogeneous. Even though 400 questionnaires were distributed, only 394 completed questionnaires were received. Accordingly, the actual sample size of the present study is 394. A structured questionnaire comprising seven sections (Section 1: the demographic profile, Section 2: human capital, Section 3: social capital, Section 4: cultural capital, Section:

5 identity capital, Section 6: psychological capital, and Section 7: work readiness) was administered to collect primary data via online mode.

The graduate employability scale, developed and validated by Tomlinson et al., (2021) was adapted to determine graduate employability capital. Caballero et al., (2011) developed and validated a work

readiness scale that was adapted to assess the respondents' work readiness of the present study. The data gathered from 394 respondents were analysed utilizing the tool of Statistical Package for the Social Sciences (SPSS) version 23. Descriptive statistics and correlation analysis techniques were utilized to determine the strength of the relationship between work readiness and the five types of graduate employability capital.

Five hypotheses were tested to measure the nature of the relationship between work readiness and five components of graduate employability capital ;

H1 1): There is a positive association between human capital and the level of work readiness,

(H1 2): There is a positive association between social capital and the level of work readiness,

(H1 3): There is a positive association between cultural capital and the level of work readiness,

(H1 4): There is a positive association between identity capital and the level of work readiness and

(H1 5): There is a positive association between psychological capital and the level of work readiness.

## FINDINGS

The demographic profile of the 394 respondents is depicted in Table 2 based on the descriptive statistics of the present study.

*Table 2. Demographic Profile of the Respondents*

Description		Frequency	Percentage
Gender	Male	221	56%
	Female	173	44%
Class Received for the Degree	First Class Degree	35	9%
	Second Class - Upper	67	17%
	Second Class - Lower	174	44%
	General Pass	118	30%
Residential Area	Urban	91	23%

	Semi urban	225	57%
	Rural	78	20%
Ethnicity	Sinhalese	343	87%
	Tamil	27	7%
	Muslim	24	6%
	Other	0	0%

(Source: Findings of the Survey Data, 2021)

The level of association between graduate employability capital and work readiness was measured using correlation analysis. The findings of the correlation analysis of the study are summarized in Table 3.

*Table 3. Summary of the Correlation Analysis*

Variables	Correlation co-efficient (r)	Sig. Value (p)
Human Capital & Work Readiness	0.468	0.001
Social Capital & Work Readiness	0.696	0.000
Cultural Capital & Work Readiness	0.341	0.002
Identity Capital & Work Readiness	0.459	0.001
Psychological Capital & Work Readiness	0.787	0.000

(Source: Findings of the Correlation Analysis, 2021)

**Results of Alternative Hypothesis 1 (H1 1): There is a positive association between human capital and the level of work readiness**

According to the results of the correlation analysis presented in Table 3, the test is significant, ( $r=0.468$ ,  $p < 0.05$ ). Accordingly, hypothesis 1 is accepted and it was revealed that there is a positive

association between human capital and the level of work readiness of management undergraduates in **government universities in Sri Lanka.**

**Results of Alternative Hypothesis 2 (H1 2): There is a positive association between social capital and the level of work readiness**

Based on the results of the correlation analysis presented in Table 3, the test is significant, ( $r= 0.696$ ,  $p < 0.05$ ). Accordingly, hypothesis 2 is accepted and it was revealed that there is a positive association between social capital and the level of work readiness of management undergraduates in government universities in Sri Lanka.

**Results of Alternative Hypothesis 3 (H1 3): There is a positive association between cultural capital and the level of work readiness**

As per the results of the correlation analysis presented in Table 3, the test is significant, ( $r= 0.341$ ,  $p < 0.05$ ). Accordingly, hypothesis 3 is accepted and it was revealed that there is a positive association between cultural capital and the level of work readiness of management undergraduates in government universities in Sri Lanka.

**Results of Alternative Hypothesis 4 (H1 4): There is a positive association between identity capital and the level of work readiness**

As per the results of the correlation analysis presented in Table 3, the test is significant, ( $r=0.459$ ,  $p < 0.05$ ). Accordingly, hypothesis 4 is accepted and it was revealed that there is a positive association between cultural capital and the level of work readiness of management undergraduates in government universities in Sri Lanka.

**Results of Alternative Hypothesis 5 (H1 5): There is a positive association between psychological capital and the level of work readiness**

According to the results of the correlation analysis presented in Table 3, the test is significant, ( $r=0.787$ ,  $p < 0.05$ ). Accordingly, hypothesis 5 is accepted and it was revealed that there is a positive association between cultural capital and the level of work readiness of management undergraduates in government universities in Sri Lanka.

## **CONCLUSION AND RECOMMENDATION**

Findings revealed that work readiness positively correlated with the five types of graduate employability capital (human capital, social capital, cultural capital, identity capital, and

psychological capital). Additionally, the results showed that the highest positive correlation of work readiness was with psychological capital, the second-highest correlation was with social capital and the lowest positive correlation was with cultural capital. Accordingly, the findings revealed that the level of psychological capital and social capital of management undergraduates strongly predict the level of work readiness. Tomlinson (2017) and Hardin- Ramanan, et. al, (2020) also found that acquisition of graduate employability capital led to increased graduate work readiness. Thus, improving graduate work readiness is a crucial factor for enhancing employability among undergraduates. Graduate work readiness combines discipline expertise with a set of transferable abilities known as employability skills, which are linked to workplace productivity (Hardin-Ramanan, et. al, 2020). To guarantee that undergraduate students have the required skills to succeed in today's fast-paced job environment, it is necessary to better understand the elements that influence their transitions into the workforce (Finch et al., 2013).

Several researchers have found numerous methods to develop the level of graduate employability capital, aimed at boosting the work readiness of graduates. Tomlinson (2017) proposed that enhancing human capital through the acquisition of employability skills through authentic learning experiences goes hand in hand with building meaningful contacts with potential employers to better understand their needs and uncover job opportunities. Undergraduates have been recommended to uplift their social capital by developing stronger relationships with industry and numerous stakeholders through professional group memberships, career fairs, social media (such as LinkedIn), industry placements, and other work-integrated learning activities (Clarke, 2017). Undergraduates must also cultivate psychological capital through self-efficacy or flexibility in adapting to changing labour market situations to foster resilient behaviour when confronted with new problems (Donald, Baruch, & Ashleigh, 2017). Undergraduates can gain cultural capital through working directly with businesses, where they can become more familiar with organizational values, approved behaviours, and professional attitudes (Tomlinson, 2017; Chinzer & Russo, 2018). Increased self-awareness and the capacity to align one's talents with the demands of desirable employers can boost the identity capital of undergraduates (Holmes, 2013).

The findings of the study proved that the level of psychological capital and social capital of management undergraduates in state universities in Sri Lanka strongly predicts their work readiness. Accordingly, much emphasis should be given to developing psychological capital and social capital among management undergraduates in Sri Lanka. To develop psychological capital, it is necessary to increase undergraduates' sense of hopefulness as they persevere to achieve their goals, to uplift their self-efficacy, confidence, and competency, foster resilience in adversity, and enhance an optimistic view of success (Luthans, 2004).

Thus, it is necessary to introduce outbound training, motivational programs, successful persons as role models, implement social modeling, redesign university curricula keeping in mind the requirements of industry, maintain mutually beneficial university-industry collaborations, engage in collaborative research, seminars, and knowledge sharing activities with industry, enter into memoranda of understanding with industrial partners and properly monitor the industrial training components of degree programs at state universities to enhance the psychological capital and social capital among undergraduates. In addition, it is necessary to create a conducive teaching-learning environment within the university that comprises a stimulating study culture, inspiring leaders, required physical resources, and technology for both undergraduates and lecturers (Amarathunga, 2018).

In light of the current Covid – 19 crises, however, the lecturers should place a specific emphasis on improving undergraduates' work readiness through online teaching and learning platforms. Collaborative activities with the industry such as collaborative, research webinars, workshops, internship training, and skills development programs need to be organized for the undergraduates via online mode. Because the collaborative activities with industry will create networks to help to negotiate through experience and increase the self-assurance of the undergraduates through real-world professional encounters (Gill, 2020). Meanwhile, undergraduates are recommended to develop their skills and competencies by maintaining an appealing professional profile on professional networks such as LinkedIn, expanding their network with industry experts, and having a strong online presence. Because of the economic recession brought on by the Covid- 19 crisis, the job market has become extremely competitive and constrained in Sri Lanka (Ravindran, 2021).

The above-mentioned recommendations will tremendously aid universities to facilitate enhancing the work readiness of the undergraduates via online education. Meanwhile, the findings of the present research have implications for all related stakeholders, namely, undergraduates, universities, industries

## **AVENUES FOR FUTURE RESEARCHERS**

The present research focused on the association between graduate employability capital and the work readiness of management undergraduates in government universities in Sri Lanka. The scope of the study can be further expanded to measure similar relationships related to undergraduates in other subject disciplines, and comparisons can be made among the different subject disciplines. Moreover, present research found that the level of graduate employability capital differed based on gender, residential area, type of university, and the class obtained by the undergraduates. Future research can be conducted to test the impact of these factors to demonstrate deviations if any. The current study has measured the association between the

level of employability capital and work readiness assuming that similar curricular and institutional conditions exist in all universities. Furthermore, demographic characteristics such as gender, degree class, ethnicity, and undergraduates' residence location, and also university ranking and reputation may have a mediating or moderating effect on the association between employability capital and work readiness. Moreover, in light of the current Covid- 19 issue, it is vital to examine efficient approaches for boosting undergraduates' work reediness through virtual modes.

## REFERENCES

ACT. (2013). Work Readiness Standards and Benchmarks.

Adaderana. (2020). *All universities to be temporarily closed over coronavirus fears*. Retrieved from <http://www.adaderana.lk/news/61355/all-universities-to-be-temporarily-closed-over-coronavirus-fears>

Agba, A. M. O., Ocheni, S. I., & Agba, M. S. (2020). COVID-19 and the World of Work Dynamics: A Critical Review. *Journal of Educational and Social Research*, 10(5), 119. <https://doi.org/10.36941/jesr-2020-0093>

Amarathunga, P.A.B.H., (2018). Demographic Factors towards Employee Engagement of Lecturers in the State Universities of Sri Lanka. *Wayamba Journal of Management*, 9(1), pp.1–11. DOI: <http://doi.org/10.4038/wjm.v9i1.7499>

Ariyawansa, R. (2008). Employability of Graduates of Sri Lankan Universities. *Sri Lankan Journal of Human Resource Management*, 2(1).

Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99-120.

Baron, A. (2011). Measuring human capital. *Strategic HR Review*, 10(2), 30-35.

Batistic, S., & Tymon, A. (2017). Networking behaviour, graduate employability: A social capital perspective. *Education and Training*.

Borg, J., & Scott-Young, C. M. (2020). Employers' perspectives on work readiness in construction: are project management graduates hitting the ground running? *International Journal of Managing Projects in Business*.

Cavanagh, J., Burston, M., Southcombe, A. and Bartram, T. (2015), "Contributing to a graduate-centred understanding of work readiness: an exploratory study of Australian undergraduate



students' perceptions of their employability", *International Journal of Management in Education*, Vol. 13 No. 3, pp. 278-288.

Caballero, C., Walker, A., & Fuller-Tyszkiewicz, M. (2011). The Work Readiness Scale (WRS): Developing a measure to assess work readiness in college graduates. *Journal of Teaching and Learning for Graduate Employability*, 2(2), 41 - 54.

Chhinzer, N., & Russo, A. M. (2018). An exploration of employer perceptions of graduate student employability. *Education and Training*, 60(1), 104–120. <https://doi.org/10.1108/ET-06-2016-0111>.

Clarke, M. (2017). Rethinking graduate employability: The role of capital, individual attributes and context. *Studies in Higher Education*, 0(0), 1–15. <https://doi.org/10.1080/03075079.2017.1294152>.

Cote, J. (2005), "Identity capital, social capital and the wider benefits of learning generating resources facilitative of social cohesion", *London Review of Education*, Vol.3 No. 3, pp. 221-237.

Department of Census and Statistics. (2017, 2018, 2019). Sri Lanka Labour Force Survey.

*Annual Report*.

Donald, W. E., Baruch, Y., & Ashleigh, M. (2017). The undergraduate self-perception of employability: Human capital, careers advice, and career ownership. *Studies in Higher Education*, 0(0), 599–614. <https://doi.org/10.1080/03075079.2017.1387107>.

Erandi, H., Mahasinghe, A.C., Perera, S., Jayasinghe, S. (2020). Effectiveness of the strategies implemented in Sri Lanka for controlling the COVID-19 outbreak. *medRxiv* 2020.04.27.20082479. <https://doi.org/10.1101/2020.04.27.20082479>

Finch, D.J., Hamilton, L.K., Baldwin, R. and Zehner, M. (2013), "An exploratory study of factors affecting undergraduate employability", *Education and Training*, Vol. 55 No. 7, pp. 681-704.

Fugate, M., Kinicki, A. J., & Ashforth, B. E. (2004). Employability: A psycho-social construct its dimensions, and applications. *Journal of Vocational Behaviour*, 65, 14-38.

Garavan, T. N., Morley, M., Gunnigle, P., & Collins, E. (2001). Human capital accumulation: the role of human resource development. *European Industrial Training*, 25(2/3/4), 48

- Gill, R. (2020). Graduate employability skills through online internships and projects during the COVID-19 Pandemic: an Australian example. *Journal of Teaching and Learning for Graduate Employability*, 11(1), 146–158.
- Hardin-Ramanan, S., Gopee, S., Rowtho, V., & Charoux, O. (2020). Graduate Work-Readiness in Mauritius: A multi-stakeholder approach. *Journal of Teaching and Learning for Graduate Employability*, 11(1), 93-109.
- Hillage, J., & Pollard, E. (2013). *Employability: Developing a framework for policy analysis*. Department for Education and Employment.
- Hinchliffe, G. and Jolly, A. (2011), “Graduate Identity and Employability”, *British Educational Research Journal*, Vol. 37 No. 4, pp. 563-584.
- Holmes, L. (2013). Competing perspectives on graduate employability: Possession, position or process? *Studies in Higher Education*, 38(4), 538–554. <https://doi.org/10.1080/03075079.2011.587140>.
- International Labour Office. (2015). *Global Employment Trends for Youth 2015*.
- Jackson, D. (2013). Student Perceptions of the Importance of Employability Skill Provision in Business Undergraduate Programs. *Journal of Education for Business*.
- Jolly, R. (2010). Employment, Basic Needs and Human Development: Elements for a New International Paradigm in Response to Crisis. *Journal of Human Development and Capabilities: A Multi-Disciplinary Journal for People-Centered Development*, 11(1).
- Kalfa, S., & Taksá, L. (2013). Cultural capital in business higher education: reconsidering the graduate attributes movement and the focus on employability. *Studies in Higher Education*.
- Kamaruddin, M., Ahmad, A., Husain, M. A., & Hamid, S. (2020). Graduate employability post-COVID-19: the case of a Malaysian public university. *Higher Education, Skills and Work-Based Learning*.
- Kapareliotis, I., Voutsina, K., & Patsiotis, A. (2019). Internship and employability prospects: assessing student’s work readiness. *Skills and Work-Based Learning*.
- Kulbo, N. B., Wen, X., & Addo, P. C. (2020). Organisational capital and graduate employability: A serial mediation analysis of human and personal-social capital. *Journal of Psychology in Africa*, 30(6), 500–506.

- Lepak, D. P., & Snell, S. A. (1999). The Human Resource Architecture: Toward a Theory of Human Capital Allocation and Development. *The Academy of Management Review*, 24(1), 31-48.
- Luthans & Avolio, (2007), Psychological Capital.
- Luthans, F., & Youssuf, C.M. (2004), Human, Social and Noe Positive Psychological Capital Management: *Organ Dyn*, 33 (2), 43-60.
- Luthans, F., Avolio, B. J., Walumbwa, F. O., & Li, W. (2005). The psychological capital of Chinese workers: Exploring the relationship with performance. *Management and Organization Review*, 1(2), 249–271. <http://dx.doi.org/10.1111/j.1740-8784.2005.00011.x>
- Mao, J., & Shen, Y. (2020). Identity as career capital: enhancing employability in the creative industries and beyond. *Career Development International*, 186-203.
- Mason, G., Williams, G., & Cranmer, S. (2009). Employability skills initiatives in higher education: what effects do they have on graduate labour market outcomes? *Education Economics*.
- Mayo, A. (2000). The role of employee development in the growth of intellectual capital. *Personnel Review*, 29(4), 521-533.
- McQuaid, R. W., & Lindsay, C. (2005). The Concept of Employability. *Urban Studies*, 42(2), 197–219.
- Ngoma, M., & Ntale, P. D. (2016). Psychological capital, career identity and graduate employability in Uganda: the mediating role of social capital. *International Journal of Training and Development*.
- Peeters, E., Nelissen, J., Cuyper, N. D., Forrier, A., Verbruggen, M., & Witte, H. D. (2017). Employability Capital: A Conceptual Framework Tested Through Expert Analysis. *Journal of Career Development*.
- Pham, T., Tomlinson, M., & Thompson, C. (2019). Forms of capital and agency as mediations in negotiating employability of international graduate migrants. *Globalization, Societies and Education*, 1–12. doi:10.1080/14767724.2019.158309
- Prikshat, V., Montague, A., Connell, J., & Burgess, J. (2019). Australian graduates' work readiness – deficiencies, causes and potential solutions. *Higher Education, Skills and Work-Based Learning*.

- Rameez, A., Fawsar, M.A.M., & Noohu, L., (2020). Impact of Covid-19 on Higher Education Sector in Sri Lanka: A Study Based on the South Eastern University of Sri Lanka. *Journal of Educational and Social Research*, 10 (6). DOI: 10.36941/jesr-2020-0132
- Ravindran, P., (2021). The Impact of COVID-19 on Sri Lanka Economy. Retrieved from SSRN: <https://ssrn.com/abstract=3909017>
- Rothwell, A., & Arnold, J. (2005). Self-perceived employability: Development and validation of a scale. *Personnel Review*.
- Singam, K. (2017). Review on Graduates' Unemployment in Sri Lanka and the Globe. *Global Journal of Human-Social Science*, 17(8).
- Smith, V. (2010). Review article: Enhancing employability: Human, cultural, and social capital in an era of turbulent unpredictability. *human relations*, 63(2), 279–303.
- SRI International. (2019). *Measuring Career Readiness in High School Literature Scan*.  
Regional Educational Laboratory — Appalachia.
- Tomlinson, M. (2017). Forms of Graduate Capital and their Relationship to Graduate Employability. *Education + Training*, 59(4).
- Tomlinson, M., McCafferty, H., Port, A., Maguire, N., Zabelski, A.E., Butnaru, A., Charles, M. and Kirby, S. (2021), "Developing graduate employability for a challenging labour market: the validation of the graduate capital scale", *Journal of Applied Research in Higher Education*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JARHE-04-2021-0151>
- Wickramasinghe, V., & Perera, L. (2010). Graduates', university lecturers' and employers' perceptions towards employability skills. *Education and Training*.
- Wallis, R. (2021), Career Readiness: Developing Graduate Employability Capitals in aspiring media workers, *Journal of Education and Work*, DOI: 10.1080/13639080.2020.1931666.

